

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA)

v.)

YAROSLAV ROCHNIAK)

a/k/a Slava)

a/k/a Jerry)

GREGORY KUCHER)

ROMAN KUCHER)

ALEXANDER LITT)

ROMAN LITT)

YAKOV SHAKHANOV)

a/k/a Jacob)

Criminal No. 08-404

[UNDER SEAL]

(8 U.S.C. §§ 1324(a)(1)(A)(ii),

1324(a)(1)(A)(iii), and

1324(a)(1)(B)(i)), and

18 U.S.C. §§ 371, 2, 1956(h),

and 1957)

26 U.S.C. § 7201)

FILED

NOV 19 2008

INDICTMENT

The Grand Jury charges that:

CLERK U.S. DISTRICT COURT
WEST. DIST. OF PENNSYLVANIA

GENERAL ALLEGATIONS

At all times material to this Indictment:

1. Laws and regulations of the United States provided that citizens of Russia, Ukraine, Estonia, Lithuania, and other nations could be granted status as non-immigrant visitors, so that they could temporarily visit the United States on visas, which did not allow the aliens to obtain employment in and reside and remain in the United States beyond the period of their authorized visits.

2. Laws and regulations of the United States required each non-immigrant visitor to depart the United States at the expiration of his or her authorized period of admission.

3. The Internal Revenue Service (IRS) was an agency within the United States Department of the Treasury.

4. The Immigration and Naturalization Service (INS) was an agency within the Department of Justice, later becoming part of the United States Department of Homeland Security (DHS); the criminal investigative arm is now known as Immigration and Customs Enforcement (ICE).

5. The United States Department of Justice, Department of Treasury, Department of Labor, and Department of Homeland Security were part of the Executive Branch of the Government of the United States.

6. The term "out-of-status" alien refers to aliens who had lawfully entered the United States, pursuant to duly authorized visas or otherwise, but had exceeded the authorized terms of their stay or obtained employment in the United States in violation of the terms of their visas, thereby converting themselves to out-of-status, meaning, out of legal status, aliens.

7. The term "employment taxes" includes federal income taxes withheld, Social Security taxes, Medicare taxes, and federal unemployment taxes.

8. ARRA, Inc., formed and incorporated in the State of Ohio, on or about March 20, 1998, with its principal office located in Sharonville, Hamilton County, Ohio, was controlled by defendants ALEXANDER LITT and ROMAN LITT.

9. SweepSmart, Inc., formed and incorporated in the State of Ohio, on or about February 10, 2000, with its principal

office located in Bedford Heights, Cuyahoga County, Ohio, was controlled by defendant YAKOV SHAKHANOV, a/k/a Jacob.

10. ARD First, Inc., formed and incorporated in the State of Ohio, on or about February 10, 2000, with its principal office located in Bedford Heights, Cuyahoga County, Ohio, was controlled by defendant YAKOV SHAKHANOV, a/k/a Jacob.

11. Citiwide Management Group (hereinafter CMG), a privately-held company, formed in and around October 2001, with its principal office located in Pittsburgh, Allegheny County, Pennsylvania, was controlled by defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, G.K., a person whose identity is known to the Grand Jury, and GREGORY KUCHER.

12. Bazil Services, Inc., formed and incorporated in the Commonwealth of Pennsylvania, on or about November 27, 2002, with its principal office located in Pittsburgh, Allegheny County, Pennsylvania, was controlled by defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER.

13. Citiwide MNGM Group, Inc., formed and incorporated in the Commonwealth of Pennsylvania, on or about September 12, 2005, with its principal office located in Pittsburgh, Allegheny County, Pennsylvania, was controlled by defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER.

14. Monro Services, Inc., formed and incorporated in the Commonwealth of Pennsylvania, on or about September 12, 2005, with

its principal office located in Pittsburgh, Allegheny County, Pennsylvania, was controlled by defendants YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER.

15. ARRA, Inc., All J Help, Inc., Sweepmart, Inc., ARD First, Inc., J and V Cleaning, Inc., Citiwide Management Group, Bazil Services, Inc., Citiwide MNGM Group, Inc., Monro Services, Inc., and L and JAC, Inc., were "employee leasing companies," that is, companies that engaged in the business of supplying employees or workers for their client businesses. Through addenda to written contracts and oral agreements, these employee leasing companies would "assert" or "certify," in some instances, that they had supplied legally documented workers, and agreed that they had collected and paid all employment taxes pertaining to the workers.

COUNT ONE - CONSPIRACY

The general allegations set forth above in paragraphs numbered One through Fifteen of this indictment are re-alleged and expressly incorporated herein, as if set forth in full.

Beginning in or around 1998, and continuing thereafter until in or around 2006, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, did knowingly, willfully, and unlawfully combine, conspire, confederate and agree with one another and with others, known and unknown to the Grand Jury, to

commit offenses against the United States, namely: to knowingly and in reckless disregard of the fact that aliens had come to, entered, and remained in the United States in violation of law, transport and move, and attempt to transport and move such aliens within the United States by means of transportation and otherwise, in furtherance of such violation of law, and did conceal, harbor, and shield from detection, and attempt to conceal, harbor, and shield from detection, such alien in any place, including any building or any means of transportation, for the purpose of commercial advantage and private financial gain, in violation of Title 8, United States Code, Sections 1324(a)(1)(A)(ii), 1324(a)(1)(A)(iii), and 1324(a)(1)(B)(i).

OBJECT OF THE CONSPIRACY

It was the purpose and object of the conspiracy for the defendants unjustly to enrich themselves by charging various companies in the United States, hereinafter referred to as "client businesses," for the leasing of workers that defendants falsely represented to be legally employable, when in truth and in fact, as the defendants well knew, the workers were neither authorized to remain and/or to work in the United States.

MANNER AND MEANS

The manner and means by which the defendants sought to accomplish the object of the conspiracy included, among other things, the following:

1. It was part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, set up and caused to be set up entities to act as employee leasing companies in the Commonwealth of Pennsylvania, and elsewhere, including, but not limited to Citiwide Management Group (CMG), Bazil Services, Inc., Citiwide MNGM Group, Inc., and Monro Services, Inc.

2. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, through their employee leasing companies, by addenda to employment contracts or verbally, agreed to provide documented workers permitted to be employed in the United States to client businesses in the United States.

3. It was further a part of the conspiracy that the client businesses contractually agreed to pay the employee leasing companies at a set rate per hour for each worker.

4. It was further a part of the conspiracy that the employee leasing companies agreed to transport the workers to the business premises of the clients.

5. It was further a part of the conspiracy that the client businesses paid the contracted rates for the hours worked directly to the employee leasing companies, as required under the

respective contracts, with a provision included in the contracts that the client businesses would not be charged an overtime rate for hours worked in excess of 40 hours per week.

6. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, set up and caused to be set up bank accounts through which the defendants and employee leasing companies deposited payments received for the hours worked by the out-of-status alien workers supplied to client businesses by the defendants.

7. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, and YAKOV SHAKHANOV, a/k/a Jacob, received checks drawn on the accounts of the employee leasing companies as compensation for services performed on their behalf. Said compensation represented a portion of the profits generated by the employee leasing companies.

8. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, and YAKOV SHAKHANOV, a/k/a Jacob, each wrote corporate checks made payable to ARRA, Inc. (sometimes referred to as ARRA Corporation), operated and controlled by defendants ALEXANDER LITT and ROMAN LITT, which represented a percentage of the hourly wages

earned by the out-of-status alien workers employed by their employee leasing companies.

9. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, YAKOV SHAKHANOV, a/k/a Jacob, ALEXANDER LITT, and ROMAN LITT employed and caused to be employed, at various times, in excess of 100 out-of-status alien workers to be leased to their client businesses in various cities, including, but not limited to Pittsburgh, Pennsylvania; Monroeville, Pennsylvania; Cleveland, Ohio; Columbus, Ohio; and Cincinnati, Ohio, and their environs.

10. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, and YAKOV SHAKHANOV, a/k/a Jacob, rented apartments on behalf of their respective employee leasing companies to house out-of-status alien workers whom they employed and leased to their client businesses.

11. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, and YAKOV SHAKHANOV, a/k/a Jacob, would collect money from their out-of-status alien employees to satisfy the monthly rent on the apartments in which the alien workers were housed.

12. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, and YAKOV SHAKHANOV, a/k/a Jacob, caused the out-of-status alien workers to be transported to and from the client businesses in a company van or other vehicle, for which they charged each out-of-status alien worker a fee for transport.

13. It was further a part of the conspiracy that the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, and YAKOV SHAKHANOV, a/k/a Jacob, collected payments from their client businesses in the amount of approximately \$6,855,639.48 on behalf of all workers, regardless of status, and paid approximately \$4,952,761.86 in wages to the workers.

OVERT ACTS

In furtherance of the conspiracy, and to effect the objects thereof, one or more of the conspirators committed and caused to be committed at least one of the following overt acts, among others, in the Western District of Pennsylvania, and elsewhere:

1. On or about March 20, 1998, the defendants, ALEXANDER LITT and ROMAN LITT, created ARRA Corporation, an employee leasing company in Cincinnati, Ohio, engaged in the business of supplying employees or workers for their client businesses.

2. In or around the latter part of 1998, the defendants, ALEXANDER LITT and ROMAN LITT, expanded their employee leasing business into Columbus, Ohio, Cleveland, Ohio, and Pittsburgh, Pennsylvania.

3. On or about October 5, 1998, the defendant, YAKOV SHAKHANOV, a/k/a Jacob, signed an apartment lease with Owners Management Company in Bedford Heights, Ohio, to house out-of-status alien workers.

4. On or about October 16, 2001, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, doing business as CMG, YAKOV SHAKHANOV, a/k/a Jacob, doing business as ARD First, Inc., and another person whose identity is known to the grand jury, executed an apartment lease with Owners Management Company in Bedford Heights, Ohio, to house out-of-status alien workers.

5. On or about December 23, 2003, the defendant, ROMAN KUCHER, executed a lease renewal addendum with Bedford Place Apartments, in Bedford, Ohio, to house out-of-status alien workers.

6. On or about March 31, 2005, the defendant, GREGORY KUCHER, executed a residential lease agreement with Pittsburgh Preferred Property in Pittsburgh, Pennsylvania, to house out-of-status alien workers.

7. On or about October 12, 2001, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, doing business as CMG, and G.K., a person whose identity is known to the grand jury,

opened an account at PNC Bank, Account No. xxxxxx6648, in the name of CMG.

8. On or about August 19, 2002, a change of signature card was executed, eliminating the name of G.K., and substituting as signatory the defendant, GREGORY KUCHER, for PNC Bank Account No. xxxxxx6648.

9. On or about December 7, 2001, a check was drawn on the CMG PNC Bank Account, No. xxxxxx6648, made payable to ARRA Corporation, in the amount of \$3,848.36, signed by the defendant, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and endorsed on the rear of the check by an ARRA "For Deposit Only" stamp.

10. On or about August 12, 2002, a signature card for Fifth Third Bank, Account No. xxxxx7656, in the name of CMG, was signed by defendant, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry.

11. On or about April 23, 2003, Check Number 1985, drawn on Fifth Third Bank, Account No. xxxxx7656, was made payable to defendant, ROMAN KUCHER, in the amount of \$1,500.00, noted in the memo line as "Salary 4/1 - 4/15/03," signed by the defendant, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and endorsed on the rear of the check "Roman Kucher."

12. On or about January 21, 2004, the defendant, ALEXANDER LITT, executed an addendum to an agreement with the Hampton Inn in Solon, Ohio, in which the defendant, ALEXANDER LITT, stated that the employees contracted to the Hampton Inn were

legally permitted to work in the United States and that the wages paid to the employees contracted met all United States government guidelines.

13. On or about May 20, 2004, the name V.K. was substituted for V.A. as a signatory on Account No. xxxxxx6425, in the name of Bazil Services, Inc., at PNC Bank, at the direction of defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER.

14. On or about May 26, 2004, the name V.K. was added to Fifth Third Bank, Account No. xxxx8034, in the name of Bazil Services, Inc., as signatory, at the direction of defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER.

15. In or around May 2004, V.K. was hired by defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, to serve as a driver of the employee leasing company van, transporting out-of-status aliens to and from client businesses.

16. On or about February 28, 2005, the defendant, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, doing business as CMG, entered into an agreement with the Hampton Inn in Solon, Ohio, whereby CMG assumed responsibility for transporting its workers to its client businesses.

17. On or about September 12, 2005, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER,

changed the name of CMG to Citiwide MNGM Group, Inc., and Monro Services, Inc.

18. On or about September 12, 2005, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, placed Monro Services, Inc., in the nominee name of G.K., a person whose identity is known to the grand jury.

All of which is in violation of Title 18, United States Code, Section 371.

COUNT TWO

The grand jury further charges:

From in or around 2003 until in or around September 2005, in the Western District of Pennsylvania, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, knowing and in reckless disregard of the fact that aliens had come to, entered, and remained in the United States in violation of law, transported and moved, and attempted to transport and move, said aliens within the United States by means of transportation and otherwise, in furtherance of such violation of law, and did conceal, harbor, and shield from detection, and attempt to conceal, harbor, and shield from detection such alien in any place, including any building or any means of transportation, for the purpose of commercial advantage and private financial gain.

In violation of Title 8, United States Code, Sections 1324(a)(1)(A)(ii), 1324(a)(1)(A)(iii), and 1324(a)(1)(B)(i)).

COUNT THREE

The grand jury further charges:

From in or around 1998, and continuing thereafter until in or around 2006, in the Western District of Pennsylvania, and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, did knowingly, intentionally, and unlawfully conspire with one another and with persons both known and unknown to the grand jury, to conduct and attempt to conduct financial transactions affecting interstate commerce, by and through a financial institution, in criminally derived property of a value greater than \$10,000, said property being derived from a specified unlawful activity, that is, an act which is indictable under the Immigration and Nationality Act, Section 274, relating to bringing in and harboring certain aliens for the purpose of financial gain, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, contrary to the provisions of Title 18, United States Code, Section 1957.

In violation of Title 18, United States Code, Section 1956(h).

COUNTS FOUR THROUGH TWENTY

The grand jury further charges:

On or about the dates set forth below, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, did knowingly engage and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000, that is, the disbursement of payments from bank accounts of Citiwide Management Group, Incorporated (hereinafter CMG) to ARRA Corporation, involving the proceeds of a specified unlawful activity, that is, an act or activity relating to bringing in and harboring certain aliens for the purpose of financial gain, in order to disburse the profits of CMG to their co-conspirators, which profit represented a percentage of the hourly wages earned by out-of-status alien workers employed by CMG, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, each such financial transaction constituting a separate count of this Indictment:

COUNT NO.	CHECK NO.	CHECK DATE	BANK	PAYEE	AMOUNT
4	3065	12/29/2003	Fifth Third Bank	ARRA Corporation	\$11,287.00
5	1065	01/26/2004	PNC Bank	ARRA Corporation	\$17,706.16
6	3110	02/13/2004	Fifth Third Bank	ARRA Corporation	\$23,108.94
7	1113	03/18/2004	PNC Bank	ARRA Corporation	\$11,823.23
8	1147	04/16/2004	PNC Bank	ARRA Corporation	\$14,096.24
9	3198	06/04/2004	Fifth Third Bank	ARRA Corporation	\$12,500.14

COUNT NO.	CHECK NO.	CHECK DATE	BANK	PAYEE	AMOUNT
10	1259	07/09/2004	PNC Bank	ARRA Corporation	\$11,592.83
11	3233	08/18/2004	Fifth Third Bank	ARRA Corporation	\$12,961.98
12	1309	08/20/2004	PNC Bank	ARRA Corporation	\$13,881.41
13	1347	09/17/2004	PNC Bank	ARRA Corporation	\$10,014.77
14	3294	09/29/2004	Fifth Third Bank	ARRA Corporation	\$12,517.73
15	3343	10/28/2004	Fifth Third Bank	ARRA Corporation	\$15,128.43
16	1411	11/06/2004	PNC Bank	ARRA Corporation	\$15,788.08
17	3360	12/08/2004	Fifth Third Bank	ARRA Corporation	\$16,892.20
18	1456	12/17/2004	PNC Bank	ARRA Corporation	\$15,864.50
19	3388	01/24/2005	Fifth Third Bank	ARRA Corporation	\$12,182.30
20	3393	02/07/2005	Fifth Third Bank	ARRA Corporation	\$12,111.78

In violation of Title 18, United States Code, Sections 1957 and 2.

COUNT TWENTY-ONE

The grand jury further charges that:

On or about January 31, 2003, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, who were doing business as Citiwide Management Group, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending December 31, 2002, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Citiwide Management Group for the said quarter was the sum of \$61,060.85, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$18,149.09 , whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$362,977.73, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$145,859.93.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-TWO

The grand jury further charges that:

On or about January 31, 2003, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, who were doing business as Citiwide Management Group, did willfully attempt to evade and defeat a large part of the Federal Unemployment Tax Act (FUTA) taxes due and owing to the United States of America for the year ending December 31, 2002, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Form 940, which was filed with the Internal Revenue Service, wherein it was stated that the total wages paid to employees by Citiwide Management Group upon which FUTA taxes were due and owing to the United States of America for the said year was the sum of \$74,734.25, and that the total amount of FUTA taxes due and owing thereon was the sum of \$597.88, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to FUTA taxes for said year was the sum of approximately \$758,732.65, upon which wages there were due and owing to the United States of America FUTA taxes in the total amount of approximately \$6,069.87.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-THREE

The grand jury further charges that:

On or about April 30, 2003, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, who were doing business as Citiwide Management Group, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending March 31, 2003, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Citiwide Management Group for the said quarter was the sum of \$42,000.00, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$15,258.00, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$182,817.79, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$74,823.93.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-FOUR

The grand jury further charges that:

On or about April 30, 2003, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending March 31, 2003, by failing to prepare and failing to cause to be prepared, an Employer's Quarterly Federal Tax Return, Form 941, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$74,601.76, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$31,556.55.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-FIVE

The grand jury further charges that:

On or about July 31, 2003, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending June 30, 2003, by failure to prepare and failure to cause to be prepared, an Employer's Quarterly Federal Tax Return, Form 941, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$287,468.52, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$115,849.82.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-SIX

The grand jury further charges that:

On or about October 31, 2003, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending September 30, 2003, by failure to prepare and failure to cause to be prepared, an Employer's Quarterly Federal Tax Return, Form 941, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$450,701.29, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$181,632.62.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-SEVEN

The grand jury further charges that:

On or about January 31, 2004, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending December 31, 2003, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$4,000.00, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$1,025.00, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$284,273.79, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$113,975.34.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-EIGHT

The grand jury further charges that:

On or about January 31, 2004, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the Federal Unemployment Tax Act (FUTA) taxes due and owing to the United States of America for the year ending December 31, 2003, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Tax Return, Form 940, which was filed with the Internal Revenue Service, wherein it was stated that the total wages paid to employees by Bazil Services, Inc., upon which FUTA taxes were due and owing to the United States of America for the said year was the sum of \$4,000.00, and that the total amount of FUTA taxes due and owing thereon was the sum of \$32.00, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to FUTA taxes for said year was the sum of approximately \$666,416.11, upon which wages there were due and owing to the United States of America FUTA taxes in the total amount of approximately \$5,331.33.

In violation of Title 26, United States Code, Section 7201.

COUNT TWENTY-NINE

The grand jury further charges that:

On or about January 31, 2004, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, doing business as Citiwide Management Group, did willfully attempt to evade and defeat a large part of the Federal Unemployment Tax Act (FUTA) taxes due and owing to the United States of America for the year ending December 31, 2003, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Form 940, which was filed with the Internal Revenue Service, wherein it was stated that the total wages paid to employees by Citiwide Management Group, upon which FUTA taxes were due and owing to the United States of America for the said year was the sum of \$14,000.00, and that the total amount of FUTA taxes due and owing thereon was the sum of \$112.00, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to FUTA taxes for said year was the sum of approximately \$172,067.32, upon which wages there were due and owing to the United States of America FUTA taxes in the total amount of approximately \$1,376.54.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY

The grand jury further charges that:

On or about April 30, 2004, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending March 31, 2004, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$2,400.00, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$473.20, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$230,924.64, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$92,568.63.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-ONE

The grand jury further charges that:

On or about July 31, 2004, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending June 30, 2004, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$1,200.00, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$201.60, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$277,963.12, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$111,737.14.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-TWO

The grand jury further charges that:

On or about October 31, 2004, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending September 30, 2004, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$3,600.00, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$604.80, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$414,911.77, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$166,363.44.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-THREE

The grand jury further charges that:

On or about January 31, 2005, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending December 31, 2004, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$2,400.00, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$367.20, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$319,152.54, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$128,018.47.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-FOUR

The grand jury further charges that:

On or about January 31, 2005, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the Federal Unemployment Tax Act (FUTA) taxes due and owing to the United States of America for the year ending December 31, 2004, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Tax Return, Form 940, which was filed with the Internal Revenue Service, wherein it was stated that the total wages paid to employees by Bazil Services, Inc., upon which FUTA taxes were due and owing to the United States of America for the said year was the sum of \$9,600.00, and that the total amount of FUTA taxes due and owing thereon was the sum of \$76.80, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to FUTA taxes for said year was the sum of approximately \$707,218.04, upon which wages there were due and owing to the United States of America FUTA taxes in the total amount of approximately \$5,657.74.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-FIVE

The grand jury further charges that:

On or about April 30, 2005, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending March 31, 2005, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$0, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$0, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$219,342.03, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$88,394.84.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-SIX

The grand jury further charges that:

On or about July 31, 2005, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending June 30, 2005, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$0, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$0, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$236,834.39, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$95,444.26.

In violation of Title 26, United States Code, Section 7201.

COUNT THIRTY-SEVEN

The grand jury further charges that:

On or about October 31, 2005, in the Western District of Pennsylvania and elsewhere, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, on behalf of Bazil Services, Inc., a corporation, did willfully attempt to evade and defeat a large part of the federal income tax withholdings from wages and Federal Insurance Contributions Act (FICA) taxes due and owing to the United States of America for the quarter ending September 30, 2005, by preparing and causing to be prepared, and by signing and causing to be signed, a false and fraudulent Employer's Quarterly Federal Tax Return, Form 941, which was filed with the Internal Revenue Service, wherein it was stated that the total wages subject to withholding paid to employees by Bazil Services, Inc. for the said quarter was the sum of \$0, and that the total amount of federal income tax withheld and FICA taxes due and owing thereon was the sum of \$0, whereas the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, and GREGORY KUCHER, then and there well knew and believed, the total wages paid to employees subject to withholding for said quarter was the sum of approximately \$340,518.92, upon which wages there were due and owing to the United States of America federal income tax withholdings and FICA taxes in the total amount of approximately \$137,229.13.

In violation of Title 26, United States Code, Section 7201.

FORFEITURE ALLEGATIONS

1. The Grand Jury realleges and incorporates by reference the allegations contained in Counts One through Twenty of this Indictment for the purpose of alleging criminal forfeitures pursuant to Title 18, United States Code, Sections 982(a)(1) and 982(b), and 28 United States Code, Section 2461(c), which incorporates Title 18, United States Code, Section 981(a)(1)(C) and Title 21, United States Code, Section 853(p).

2. As a result of the commission of the violations charged in Counts One and Two of this Indictment, the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, did acquire the following property that constitutes, and is derived from, the proceeds obtained, directly and indirectly, from such violations, thereby subjecting said property to forfeiture to the United States of America pursuant to Title 28, United States Code, Section 2461(c), which incorporates Title 18, United States Code, Section 981(a)(1)(C):

(a) United States currency, cash equivalents, and bank account balances, including without limitation the bank account balances seized by the United States outlined in Exhibit A attached hereto and incorporated herein that are the subject of the forfeiture action in the United States District Court for the Western District of Pennsylvania at Civil Action Number 07-1196.

3. As a result of the commission of the violations charged in Counts Three through Twenty of this Indictment, the

defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, acquired the following property that was involved in such violations, or is traceable to property involved in such violations, thereby subjecting said property to forfeiture to the United States of America pursuant to Title 18, United States Code, Section 982(a)(1):

(a) United States currency, cash equivalents, and bank account balances, including without limitation the bank account balances seized by the United States outlined in Exhibit A attached hereto and incorporated herein that are the subject of the forfeiture action in the United States District Court for the Western District of Pennsylvania at Civil Action Number 07-1196.

4. If through any act or omission by the defendants, YAROSLAV ROCHNIAK, a/k/a Slava, a/k/a Jerry, GREGORY KUCHER, ROMAN KUCHER, ALEXANDER LITT, ROMAN LITT, and YAKOV SHAKHANOV, a/k/a Jacob, any or all of the property described in paragraphs 2 and 3 above (hereinafter the "Subject Properties"):

- a. Cannot be located upon the exercise of due diligence;
- b. Has been transferred, sold to, or deposited with a third person;
- c. Has been placed beyond the jurisdiction of the Court;
- d. Has been substantially diminished in value; or

e. Has been commingled with other property which cannot be subdivided without difficulty, the United States intends to seek forfeiture of any other property of the defendant up to the value of the Subject Properties forfeitable above pursuant to Title 18, United States Code, Section 982(b) and Title 28, United States Code, Section 2461(c), which incorporates Title 21, United States Code, Section 853(p), including without limitation the real property located at:

(a) 1243 Father Capodanno Boulevard, Staten Island, New York 10306; and

(b) 4818 North Classical Boulevard, Delray Beach, Florida 33445-1221.

A True Bill,


FOREPERSON



MARY BETH BUCHANAN
United States Attorney
PA ID No. 50254

EXHIBIT A

Bank account balances seized by the United States in connection with the forfeiture action in the United States District Court for the Western District of Pennsylvania at Civil Action Number 07-1196:

A. Balances seized from National City Bank, 116 Allegheny Center Mall, Pittsburgh, PA 15212:

\$22,669.64 seized from Account Number xxxxx8558

\$14,866.01 seized from Account Number xxxxx0773

\$1,050.79 seized from Account Number xxxxx8007

B. Balances seized from JP Morgan Chase, One Chase Manhattan Plaza, 26th Floor, New York 10081:

\$105,508.47 seized from Account Number xxxxxxxx0565